

Russia In the Red Shadow

(Continued from page one)

500 rubles a pound; eggs, 5,000 rubles a piece; sausage, 50,000 rubles a pound; apples, 10,000 rubles a piece.

On New Year's Eve I saw a girl lead her escort to a pile of oranges, the first oranges to be displayed in Russia in four years. The price of each orange was 80,000 rubles, or 40 cents in American money. The young man took two oranges at 160,000 rubles. Unless he was a speculator it had taken him two days to earn this money.

Besides the food shops, the most typical commercial establishments are the co-operative commission shops, in which decayed middle class people deposit their lace, family silver, rugs, furs, miniatures and portraits for sale to the foreigners or to the new speculating class. These are pathetic displays as a rule. The best stuff has long ago been picked over. What remains is only second or third rate. And in the process of trade this may be passed back and forth from speculator to speculator at advanced prices. It is thus that values are made in Russia.

Former Members of Nobility Glad to Conduct Small Shops

These businesses are usually carried on by former members of the nobility, by daughters and wives of well known men of yesterday, by actresses and artists, who speak English and French as well as they speak Russian and are facing their new tasks with spirit and humor.

The commission business is now carried on under protection of the government and is entirely aboveboard and yet it is imprudent to ask too many questions about the origin of these materials brought for consignment. It must be remembered that for a long time everything was presumed to belong to the state, that the humblest workman or vagabond accepted the dictum of royalty, "The state is I," and that under this dictum much property found its way from private to public ownership. Much of this material has, of course, eventually gone to market.

Some of the best material in these shops is not on public display. These articles come out only by negotiation, or if you will permit whispering in French or German arrangements may be made to see miniatures, diamonds, rugs, discreetly and strictly by engagement. A furtive eye is cast about for signs of the Cheka, the secret service of Russia.

Of general merchandise there is but little. The shoes they have would make you weep. And the Russian women like pretty shoes more than anything else in the world. I was stopped on

the market by a woman with a sable scarf to sell. "If you want to pay for it you may have it for twenty million," she said. "But if you can get me some nice American shoes you may have it for much less."

The Russian people long ago frankly assumed the role of tradesmen in personal effects. It was their only way to live. And they take up their new role with good humor. A retired professor in the University of Moscow is to-day selling letter paper in the street. His allowance is too small to pay expenses and he ekes it out in this way. Every afternoon his old friends come and have a cup of tea with him at his little stall.

Literary men, poets and musicians keep second-hand book shops. They sell little and profits are small, but the government assigns them space and keeps them quiet. It creates an illusion of productivity and profits. But it is based on false foundations. Russia has been running for four years on the principle of the bottomless well in resources, upon the principle of perpetual motion as applied to economics. But the bottom of the well has been reached and motion is stopped.

One day I was stopped in the street by a woman of middle age, dressed in fine fur, her whole appearance suggesting the limousine class. "I must have some bread for to-night, you know. It seems to be necessary," she laughed and drew out of her muff a miniature on copper. She was the daughter of a professor in the Conservatory of Moscow. Twenty years ago she had married a wealthy man. Both father and husband were dead. Everything that had been left from the two households had been sold and bread was becoming more difficult to obtain every day.

I told her it would be a favor to take her miniature at her price, but it would be a greater favor to give her the price and forget to take the miniature. She smiled directly into my eyes. "That is not at all necessary," she said, though we both knew that it was necessary, that the time was coming when she would have nothing to sell.

Russian Trade Degrades Into Exchanges of Junk

Perhaps enough evidence has been brought to indicate my belief that Russian trade in this day is based upon a paradox, that it is not commerce in the strict and best sense, that it is simply a passing back and forth of remainders and junk. There is great surface activity, but little is produced. Many paper fortunes are made but so quick are the changes in value of money, so ready is the government to take its tax on profits, that no one keeps his paper long. Immediately one has made a good sale he casts about for an investment in order that his wealth may be in solid form. And it is paper profits that support the trade in fine goods. This is an unfortunate aspect of the commercial problem, because it draws food from the famine district, where it is needed, to the city, where high prices can be paid.

As I think of the situation of the speculator class in Russia I am reminded of the story of the bomb brigades on each side of No Man's Land in France. One side throws a bomb into the opposite trenches. This is here caught by an alert catcher and quickly returned. The game develops into a quick game of ball, each side hoping not to have the bomb on its side when it explodes. It is so with the holder of speculative merchandise in Russia. It is unsafe to keep profits in paper money, for its value melts away before the rats can eat it up. And if profits are put back into merchandise there is always the chance of getting a white elephant.

On its side the government seems to encourage this feverish activity of exchange of commodities. It gives the appearance of commerce without being commerce. It satisfies the people and keeps them quiet. It creates an illusion of productivity and profits. But it is based on false foundations. Russia has been running for four years on the principle of the bottomless well in resources, upon the principle of perpetual motion as applied to economics. But the bottom of the well has been reached and motion is stopped.

Among the paradoxes of Russia's economic position the greatest paradox of all was that by which the communistic experiment was put into effect in the first place. By theory the first step was the outlawing of the private trade. By theory money should have become contraband. In point of fact neither of these things occurred, nor could have occurred. The Soviet government was put into power and maintained by the forces that it presumably undertook to destroy and to displace. Trade was, in fact, driven from the streets. But trade did not disappear. It was interrupted and perverted. The thing that kept the Russian people alive during the first years of trial was illicit trade. So necessary was this trade to the life of the people, and therefore to the support of the government, that the government had to wink on it, encourage it, or, if one can out-paradox a paradox, it had to legitimize an illegal traffic.

Gigantic Profits Gained From Illegal Business

It is characteristic of illegal traffic that it is not subject to the controls of competition and official oversight which legal traffic permits and that its profits are immensely higher. The Russian people were kept alive by recourse to traders who had the daring to continue in trade after trade had been officially outlawed. The machinery built up for establishing contacts between traders and consumers was very much like the machinery built up in America under the Volstead law for the distribution of drink.

In Russia the machinery tended to become even more complex and widespread. Under the pressure of necessity all Russians became traders. The lure of the velvet margin was felt

everywhere. A revolution, which started to kill trade, has made the Russians into a nation of traders. There is no exception. From the noblest selling diamonds to the humblest selling paper and the huckster selling poppy seed, every one in Russia is seeking the easy profit on a deal.

As a result of the new economic policy trade, which had hidden under ground, has now come into the open. There has developed a new class known as the speculators who promise to be the nucleus of the bourgeois aristocracy of the future. These people are quick and hard in a bargain. They know how to take advantage of the going about purchasing for nominal sums the deeds of private property in the cities, against the day when the rights of property are again respected. When profits are made they are invested in diamonds or better still, in American exchange.

The elevation of the speculator to a leading position in society has led to the creation of entirely new classes in the state. Some one has outlined the social classes in Moscow and Petrograd as follows from top to bottom:

1. Commensals and their friends.
2. Speculators.
3. Go-betweens and procurers.
4. Those who sell their property bit by bit for bread.
5. Those who have sold all and have nothing.

The Soviet government was established on the basis of direct contact among producing agencies through the medium of exchange. In such a system money would appear to be unnecessary. To the Soviet government money was an implement of the transition stage, and it was a weapon against the capitalist enemy within and without the country. Enough has been said to indicate the place of money in Russia today. It is the most debased of all agencies. No one wants to keep it, and yet it is still the measure by which artificial profits are measured. When it comes to transforming these profits into benefits the worthlessness of Soviet money comes out.

The debasement of Russian money is graphically presented in these facts. In August, 1914, the Imperial Bank of Russia had issued 1,700,000,000 rubles in paper, against which were held 1,604,000,000. By January, 1915, the paper circulation had doubled. By January, 1917, the paper circulation was something under 10,000,000,000 rubles. At the time of the downfall of Kerensky, in November, 1917, the paper circulation had doubled to 20,000,000,000. Under the Soviet government the paper circulation has multiplied itself by leaps and bounds, being 61,000,000,000 in January, 1919, 225,000,000,000 on January 1, 1920, 1,200,000,000,000 in 1921 and between 5,000,000,000,000 and 10,000,000,000,000 to-day.

Fundamental Industry Remains in Bondage

Deeper than the paradox upon which the first life of the government was

maintained is the paradox underlying the present policy of the government.

Even to-day, while giving broad currency to its new economic policy the government is more concerned with giving the appearance of commercial activity than with the encouragement of true productivity. On the surface trade is free. One may hold for sale and exchange stocks of goods. One may open shops and receive and retain the profits on the transactions. But the arms of fundamental industry are still bound. The productive sources of wealth, either by large manufacture or by exploitation of resources, are still under the control of a system that is nothing less than suffocating.

So while in the marketplaces there goes on an ever-increasing fever of exchange of remainders and of junk and palisade the deep sources of the nation's wealth are stagnant. The production of pig iron is only 2 per cent of pre-war standards, of dyestuffs 2 per cent, of rubber 5 per cent, of sugar 5 per cent, of salt 15 per cent, of copper one-half of 1 per cent, of paper 10 per cent, of oil 20 per cent.

In the mines reduction of output is continuing to this hour. In iron ore the number of mines is falling off 10 per cent a month. Production is reaching the disappointing point, of manganese ore not 7 per cent of the prescribed amounts are obtained, and production falls 50 per cent in three months; of copper ore mining has practically ceased. In all the mines of Russia the number of workmen was reduced more than half between the end of 1920 and the end of 1921.

Against this display of stagnation in the production of the country place the account of the materials to be sold in their shops opened in Petrograd, proudly promulgated by the government:

"On the fourth of October the Petrograd United Consumers' Society in Petrograd opens three shops where the following are purchasable at market prices: Face powder, scent, perfumery articles, umbrellas, walking sticks, writing paper, envelopes, various leather articles, pocketbooks, purses, cigarette cases, china, bronze.

EPHRAIM M. YOUMANS

Formerly President of Youmans, Inc. From the Management of Which Firm He Has Severed Connections

Announces the Opening Today of

EPHRAIM M. YOUMANS
INC.

405 Madison Avenue

Between 47th & 48th Streets

HATS

Complete assortment of hats and accessories both domestic and imported

bottles, trays, haberdashery, etc."

In this manner the Russian government encourages trade.

In the ninth article of this series, which will appear in *The Tribune* to-morrow, Mr. Dickinson describes the constant flow of refugees across the border, the increasing flux in the social order and the sweep of disease through Russia.

Doctor, in Drug Coma, Proves Bellevue Mystery

Found Unconscious, He Denies Taking Overdose and Can't Explain His Collapse

The case of a physician suffering from narcotics, which is a deep mystery to himself, is Bellevue Hospital's latest contribution to the unusual in medical records. How a physician thoroughly schooled in the use and effects of narcotic drugs could have administered to himself twice as much of a drug as was necessary in his case is the question that several physicians, including the patient, were trying to answer yesterday.

The patient is Dr. William Hicks, fifty years old, a physician with a quarter of a century experience and in practice in Newark, N. J., where he lives at 46 Milford Avenue. He was found early yesterday morning in a state of coma in a waiting room of the Pennsylvania Terminal by Police-man Hotchkiss, of the West Thirtieth Street station. The policeman was struck by the dignified appearance of the physician. He called an ambulance and Dr. J. Sutton, of New York Hospital, diagnosed the case as one of an overdose of morphine. The patient was identified by his prescription book and card case. He was ordered removed to Bellevue, where he did not regain consciousness until late yesterday afternoon. His wife had been notified and was at the side of his cot when he revived.

Dr. Hicks said that he remembered taking a small hypodermic injection of morphine to relieve an illness from which he had been an intermittent sufferer. He was not used to the effects of the drug, but is sure he did not take enough to cause complete coma. He did not take a second injection, so far as he could remember, and said he was unable to account for how he became affected with what all the physicians agreed was an overdose.

Dr. Hicks said that he remembered taking a small hypodermic injection of morphine to relieve an illness from which he had been an intermittent sufferer. He was not used to the effects of the drug, but is sure he did not take enough to cause complete coma. He did not take a second injection, so far as he could remember, and said he was unable to account for how he became affected with what all the physicians agreed was an overdose.

Dr. Hicks said that he remembered taking a small hypodermic injection of morphine to relieve an illness from which he had been an intermittent sufferer. He was not used to the effects of the drug, but is sure he did not take enough to cause complete coma. He did not take a second injection, so far as he could remember, and said he was unable to account for how he became affected with what all the physicians agreed was an overdose.

Dr. Hicks said that he remembered taking a small hypodermic injection of morphine to relieve an illness from which he had been an intermittent sufferer. He was not used to the effects of the drug, but is sure he did not take enough to cause complete coma. He did not take a second injection, so far as he could remember, and said he was unable to account for how he became affected with what all the physicians agreed was an overdose.

Former Pastor Slays Pal In Attempted Jail Break

LOS ANGELES, April 9.—Herbert Wilson, formerly a minister of the Gospel in Oregon and Canada, held in the county jail pending trial for the robbery of the mails here of nearly \$1,000,000 the night of March 3, 1921, shot and killed his alleged accomplice, Herbert R. Cox, just after officers had frustrated an attempted jail-break late today.

Cox, Wilson and Eddie O'Brien, recently arrested here in connection with a mail robbery at Toledo more than a year ago, had made their escape from the jail proper and were on the "Bridge of Sighs," a passageway leading to the Hall of Justice, when deputy sheriffs closed in on them.

Then Wilson trained a revolver upon Cox and pulled the trigger. Officers said there had been "bad blood" between the men since shortly after their arrest, when Cox was said to have made a statement to Federal officers, and the

report became current he would testify for the state at Wilson's trial.

Dr. Hicks said that he remembered taking a small hypodermic injection of morphine to relieve an illness from which he had been an intermittent sufferer. He was not used to the effects of the drug, but is sure he did not take enough to cause complete coma. He did not take a second injection, so far as he could remember, and said he was unable to account for how he became affected with what all the physicians agreed was an overdose.

Dr. Hicks said that he remembered taking a small hypodermic injection of morphine to relieve an illness from which he had been an intermittent sufferer. He was not used to the effects of the drug, but is sure he did not take enough to cause complete coma. He did not take a second injection, so far as he could remember, and said he was unable to account for how he became affected with what all the physicians agreed was an overdose.

Every Corset Fitted

The luxurious comfort of a perfectly-fitted Redfern Corset is one of the reasons women are so enthusiastic about our personal service.

Redfern Corsets
Back-Lace and Front-Lace

REDFERN CORSET SHOP
570 Fifth Avenue
(Just above 46th Street)

For EASTER Wear

THE BO-LO (illustrated) THE MAR-GAR
THE MUN-CEY THE PEN-LYN
THE CHELTON-BENKERT (light weight model)
Lasts and patterns exclusively our own design.
ALL VERY WELL KNOWN
BOTH SHOPS

THE JOHNSON SHOE SHOP
BROADWAY & 40th STREET 444 WEST 43rd STREET
Hempstead Branch: Hempstead, N. Y.

WHITEHOUSE & HARDY
BROADWAY & 40th STREET 444 WEST 43rd STREET
Hempstead Branch: Hempstead, N. Y.

THE QUALITY OF GAS

The Consolidated Gas Company, in its annual report to its stockholders, on January 22, 1922, said:

"From time to time during the year, testimony has been taken by the Public Service Commission as to the advisability of discontinuing raw in New York City, as has already been done in the rest of the State, the Nation and the world, the candle-power standard of quality for gas and substituting therefor a thermal-unit standard.

"The oft-reiterated position of this Company on this question has been made very clear on various occasions during the year, to the effect that, within the limits of operating possibility, this Company and its subsidiaries do furnish, and will continue to furnish, to their consumers, gas of such standard of candle-power or heating value as may be desired and directed by the public through its official representatives, and that this Company will, in turn, require the payment of a reasonable rate for gas of the quality thus prescribed. So long as 22 candle-power gas is prescribed for this City by statute or Commission order, the Company will continue to furnish that quality of gas and will expect to be paid therefor a commensurate rate.

"This attitude of compliance with the regulatory requirements does not alter in any respect the desire of the company to be authorized to furnish to its consumers gas of the quality which will render to them the most efficient and economical service, and to adjust its rates to that end. The Company's executives and engineers realize, of course, that continuance of the 22-candle-power standard does not give the maximum results to the user of gas, in proportion to the price necessitated by the cost of making gas of that standard. They have not refrained from disclosing their opinion or the facts upon which it is based, when interrogated by the regulatory authorities or by representative consumers."

In the report made to the Commission, on December 22, 1921, by the Joint Conference Committee created by the Commission, the Company's representatives, after setting forth their view that the consumers ought to have the benefit, in reduction in rate, of such economies in manufacturing cost as are secured through a change in standard, added:

"The Company representatives state their inability to join in the recommendation of any 'block' schedule contingent upon the adoption of a 550 British thermal-unit standard which does not give to the small consumers a contemporaneous reduction in the charge for gas consumed."

That attitude has not been changed. At the opening of the hearings instituted by the Commission, on its own motion, to ascertain whether a change to a thermal standard would be in the public interest, counsel for the Consolidated Gas Company and its affiliated companies said, on February 6, 1922:

"We are here pursuant to an order of the Commission. As to neither of the subject matters of this inquiry is there any petition before this Commission from these companies—neither as to a change in standard nor as to the establishment of graduated rates. Our position in a very few words is this: We have in the past, and we shall in the future, supply to our consumers the quality of gas which is prescribed by the public policy of the State, whether that is 22 candle-power or some lesser candle-power or some standard of thermal content.

"I am not relying in that respect solely upon the companies' own tests. We have recently seen published in one of the newspapers the detailed tests made by the City of New York with respect to each one of the Consolidated Companies, and each one of their plants, over a period of three or four years; and it

appears that in the case of no company, no plant, no year, was there a violation or a falling below 22 candle-power.

"We know, if the matter becomes pertinent, that the present candle-power standard is wasteful of oil. We know that we can give to all consumers at least as good service, and to most of them much better service, at a less cost to manufacture than would be the result of continuing an obsolete standard; but, so far as the companies are concerned, the question whether this saving shall be effected and the question of what standard is best for this City, is not a matter as to which we take issue."

The views above expressed as to the desirability of change to a modern standard have been sustained by every witness who has testified before the Commission with any technical training or first-hand knowledge of the experience of other States and countries. The expert public representatives, whose testimony has been given solely from the point of view of the public interest, have included the following, all summoned by the Commission:

Charles D. Jenkins, Chief of the Gas Inspection Department of Massachusetts, which has had a 528 thermal-unit (commonly called B.t.u.) standard in effect since 1917.

Edward J. Cheney, until recently Chief Gas Engineer of the New York Public Service Commission, Second District, under the authority of which a 585 B.t.u. standard has been in force since 1916 for all of the State except New York City.

Philander Betts, Chief Engineer of the Public Utilities Commission in New Jersey, which has had a 525 B.t.u. standard in effect since 1920.

Albert I. Phillips, formerly of the United States Bureau of Standards, now service engineer of the American Gas Association.

William Merrifield, Gas Engineer of the New York Public Service Commission.

This expert opinion is not confined to regulatory authorities or company engineers. Mr. A. S. B. Little, Gas Engineer of the Illinois Commission until 1920 and since then the principal witness for the City of New York in gas-rate cases, testified in a local Court:

"Q. Is it your judgment that the maintenance of this candle-power standard, while it may operate to the benefit of the oil companies, does not operate to the benefit of the public? * * *

"A. It does not operate to the benefit of the public. * * *

"Q. Is it your judgment this candle-power standard is a wrong standard? * * *

"A. Certainly.

"Q. Do you think it is the proper way to measure the value of the gas at all? * * *

"A. I think it is a crime; that is what I think.

"Q. And it adds generally to the cost of making gas without corresponding advantages to the consumers? * * *

"A. Correct; the consumers cannot get the advantage out of the gas at 22 candle-power."

The Annual Report of the New York City Department of Water Supply, Gas and Electricity for 1916 stated:

"High candle power of gas is of value only where gas is used in open flame burners as an illuminant; where used for cooking and heating, and for lighting with mantle burners, the constituents of the gas which enhance its illuminating power clog the burners and are a positive detriment in producing heat and light."

In accord with the testimony before the Commission advising a standard not higher than 550 B. t. u., Mr. Milo R. Maltbie, employed by the City of New York and other municipalities as a witness in many cases before the Commission, recently

recommended a 530 B. t. u. standard for the City of Philadelphia, saying:

"... Naturally, in all heating, cooking and most industrial operations, it is heat that is desired; and the heat content of the gas is, therefore, the real measure of its usefulness. The only instance where candle-power is of any moment as a measure of utility is where gas is used for producing illumination in open-flame burners, and this is a wasteful method of securing light.

"Although heating value is the best measure of usefulness per unit of quantity, it does not follow that high heating standards are desirable. Indeed, the reverse may be true. * * * Gases of a low heating value contain less of these unsaturated hydrocarbons, can be efficiently burned through a wider range of adjustment, and are, therefore, more satisfactory as a general proposition under the varying conditions of supply and use which must necessarily exist in a large city."

The United States Supreme Court, on March 6, 1922, said, as to gas supplied in the City of New York in 1918 and 1919:

"The calorific quality had become more important to most consumers than the illuminating one."

The United States Bureau of Standards in its recent edition of its Circular No. 32, "Standards for Gas Service," gives expert and disinterested advice:

"Gas was originally used almost exclusively for open-flame lighting and naturally, therefore, most of the early requirements as to the quality of the gas related to the amount of light produced in such burners—i. e., to the open-flame candle-power of the gas. However, at the present time cooking, water heating, mantle lighting, and industrial applications of gas consume by far the larger percentage of the total gas made, and in these operations it is the heat given out in combustion of the gas, that is of importance to the user. Only a few per cent. of the gas distributed in this country is used in open flame, and, in fact, probably not over two per cent. of it should be so used, considering only economy to the consumer.

"As a result of this change in conditions, heating value requirements have largely replaced candle-power requirements. In fact the situation has so changed that there is no longer any justification for the adoption of new candle-power regulations. The heating-value standard should supersede the candle-power requirement, and the latter should be dropped."

"In general, it is believed that the best value for adoption will be found between 525 and 585 B. t. u. Where it can be shown that substantial economies will result, and that the public will receive as good or better service because of greater uniformity, and suitable limits are fixed to insure this, values even lower than this may be adopted."

It is not the expectation or desire of the New York gas companies to profit financially from any change in standard. Although as good or better service will be afforded to consumers by gas furnished under a thermal standard, the savings effected in manufacturing expense will be passed along to the public. The interest of the companies lies in being permitted to furnish a gas which will give to their patrons a more efficient and dependable service for the money paid, because it is only through good service that their business can grow and prosper.

CONSOLIDATED GAS COMPANY OF NEW YORK
Geo. B. Cortelyou,
President.